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# The first B2B Commerce unicorn in the manufacturing sector debuts in the UAE

Moglix connects suppliers with a fragmented buyer base through its data science-driven technology. The company aims to build a digital operating system in the UAE that is closely aligned with the digital initiatives of the Emirates.

India's Moglix, the online industrial business-to-business marketplace, with a network of more than 16,000 suppliers, recently set up base in Abu Dhabi's Kizad after raising US\$ 120 million in its latest funding round that valued the company at US\$ 1 billion.

The company operates out the Khalifa Port Free Trade Zone in Abu Dhabi and plans to expand operations across the Middle East.

"We are excited to enter the UAE, a gateway to the GCC and a major hub of global commerce and innovation with a vision to transform into a digital economy," affirmed Rahul Garg, Founder and Chief Executive, Moglix.

**Global Supply Chain** conducted an exclusive interview with Piyush Malviya, Senior Director, International Operations, Moglix where he spoke expansively on a range of subjects related to the roll out of the B2B e-commerce platform, *moglix.ae*, that provides a digital catalogue of 500,000 industrial products across more than 50 categories.

**Global Supply Chain (GSC): For the uninitiated, give us the brief spiel on Moglix?**

**Piyush Malviya (PM):** Moglix is one of Asia's largest and fastest growing B2B Commerce companies. Moglix enables manufacturing and infrastructure companies to transform their end-to-end supply chain, from procurement to distribution.

Through our digital platform, supplier and buyer network, and

logistics strength, we bring down cost, enhance sales, improve operational efficiency, and make the supply chain touchless.

We serve over 700,000 industrial items, across over 20,000 pin codes across India, enabling over 800 large manufacturers and over 3000 factories.

**GSC: As a B2B Commerce unicorn, why did you choose to make a foray into the UAE?**

**PM:** We are the first B2B commerce unicorn and have touched the US\$ 1 billion milestone in six years since inception. We have built successful customer collaboration case studies across diverse industry verticals in India and globally. UAE has a very vibrant domestic economy with strong growth fundamentals.

Furthermore, UAE is a hub of international trade and cross-border supply chains in the MENA region. Two factors have been integral to our decision to enter the Middle East. First, the government initiatives and policy support for digital transformation have been very encouraging.

Beyond the regulatory framework to attract tech companies, government agencies in the Middle East are proactive in investing in technology adoption and creating the necessary ecosystem for both individuals and institutions to follow suit.

**GSC: Why did KIZAD become a**

**choice of locations for Moglix's UAE operations?**

**PM:** KIZAD is strategically located in the Dubai mainland while being in close proximity to Abu Dhabi. The logistical access to both the emirates is integral to our hub-spoke model of supply chain operations in the UAE.

**GSC: Through Abu Dhabi based Alpha Wave Ventures, you raised a total funding of US\$ 220mn and a valuation of US\$ 1bn. How did you pull off this deal?**

**PM:** Alpha Wave had been tracking and studying Moglix for some time. We are aligned on our vision to add value to the manufacturing sector and they believe that Moglix's proven tangible ROI model can be scaled globally. We have a common goal to bring innovation and excellence to the manufacturing sector in the Middle East, unlocking growth for suppliers and manufacturers.

**GSC: Moglix's objective is to simplify indirect procurement and enable tech-led supply chains—explain?**

**PM:** At Moglix, we are simplifying B2B buying processes by replicating the catalog-based buying experience that individuals get in B2C e-commerce. Indirect procurement accounts for 80% of volumes of SKUs at large enterprises but only 20% of value.

We want to enable customers to unlock resources, time



engagements, and cost efficiencies from their non-strategic work of indirect procurement and chase their strategic goals of value creation and business impact. Tech-led supply chains are data-centric. The visibility into clean data makes indirect procurement safer, more agile, and efficient.

**GSC: How has the response been thus far to your entry into the region?**

**PM:** Moglix is already present

across diverse verticals such as manufacturing, real estate, construction, and finance in the Middle East. We are witnessing good traction in the market. The boom in consumer e-commerce has rubbed off on businesses as well. Since 2018 we have witnessed procurement teams take to B2B e-commerce and tech adoption in a big way in the Middle East.

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# moglix

Moglix serves 3,000 manufacturing plants across India, Singapore, the UK, and the UAE and counts global manufacturing giants such as Siemens, Yamaha, Bridgestone, P&G, Unilever, and Perfetti Van Melle as its customers. It is one of the largest e-commerce platforms of industrial goods in Asia.

Moglix will be collaborating with large manufacturing enterprises

across the UAE to simplify indirect procurement and enable tech-led supply chains. They bring together supply chain expertise, tech backbone, and logistics infrastructure to enable lean and efficient manufacturing operations.

Moglix is one of Asia's largest and fastest-growing B2B commerce platforms in the industrial indirect procurement space with a clear first-

mover advantage.

The company is building an operating system for manufacturing that provides its customers a full-stack service covering procurement, packaging, and digital supply chain solutions. They are the pioneers of reimagining industrial distribution by bringing the ease, convenience, and speed of e-commerce to B2B commerce.

**GSC: Describe briefly how Moglix will enable and provide full-stack service covering procurement, packaging, and digital supply chain solutions?**

**PM:** At Moglix, we combine our on-ground supply chain expertise with a technology-first approach to B2B commerce processes. Our digital supply chain ecosystem enables us to integrate all supply chain processes from indirect procurement, direct procurement contract management SaaS, warehousing, packaging, and supply chain financing.

Customers get visibility and maneuverability to stay in control of their end-to-end supply chain journey from a single operating system. Integrating all supply chain processes into one digital ecosystem we plug in the efficiency leakages that emanate from fragmented supply chain processes.

Our digitally integrated full-stack solution transforms stakeholder engagement from being combative to being collaborative.

**GSC: How will Moglix's award-winning suite of software products for contract management and B2B Commerce empower the logistics sector on the whole?**

**PM:** When supply chain teams have greater visibility into their contract data, they are clearer about their decision-making and thus more agile. The agility in decision-making and execution of contracts is the key to the mobility

of goods, resources, and value. Logistical agility is a result of safer decision-making in supply chain processes.

Unilever has in excess of 1500 procurement professionals, operating across over 100 countries, managing US\$ 20 billion annually. Processing contracts for a geographically dispersed organization was time-consuming and inefficient. iCAT is a cloud-based contract automation tool co-developed by Moglix and Unilever that has automated the contract management system of Unilever.

We worked closely with Unilever to identify the root cause of the issues and co-create the solution to consolidate and automate their contract management process by deploying an Intelligent Contracting Automation Tool (iCAT). iCAT is a co-developed dynamic, cloud-based solution. iCAT makes the contracting process collaborative, efficient, and accurate, increasing the contracting velocity and reducing risk.

**GSC: What industrial sectors do you cover?**

**PM:** We work with diverse sectors including aviation, metals, mining, educational institutions, shipping, construction, and real estate.

**GSC: Moglix has received investments from leading global venture capital funds. What are the implications?**

**PM:** We started six years ago with a firm belief in the untapped potential of the B2B commerce space. Through the course of our journey, we have been able

to onboard several globally reputed venture capital funds such as Accel Partners, Jungle Ventures Falcon Edge Capital, and Harvard Management Co. Falcon Edge, with its deep roots in the Middle East and Europe and an understanding of public companies, will guide us through the next steps in our journey towards achieving scale, growth, and a more globally diversified footprint.

**GSC: What are the opportunities and challenges for Moglix in the UAE and the wider GCC going forward?**

**PM:** The macroeconomic fundamentals of the UAE are very strong. While we have launched our business in the UAE recently, we have been building our on-ground capabilities, onsite footprint, and team strength since 2020.

We have been customizing our supply chain technology and internal business processes. Moving forward we aim to expand our breadth of offerings in the region and create successful customer collaborations that can serve as case studies for the custom supply chain requirements of different industries.

The major challenge for us is the status quo and we are on track to enabling supply chain transformation in the B2B space through the new normal that is emerging.

**GSC: How concerned are you about competition in your segment?**

**PM:** With the combination of on-ground supply chain capabilities and our technology-first approach, we are uniquely positioned in the UAE. We provide over 50 categories of industrial goods that include both ends of the value spectrum. At 700,000 SKUs, we have one of the largest catalogs for indirect procurement in Asia.

Furthermore, our full-stack technology suite has solutions for digital procurement, supply chain financing, contract management SaaS, supplier collaboration, and onsite quality assurance and deliveries. The breadth of our onsite and online offerings means that we do not have

Moglix recently raised its Series E round of funding led by Falcon Edge Capital making it the first B2B Commerce unicorn in the manufacturing sector.

Moglix has also received investments from leading global venture capital funds such as Accel Partners, Jungle Ventures, Venture

Highway, Harvard Management Company, Tiger Global, Sequoia Capital India, and International Finance Corporation and individual investors are Ratan Tata, Chairman Emeritus, Tata Sons; Kalyan Krishnamurthy, CEO Flipkart; Vikrampati Singhania, MD, JK Fenner, and Shailesh Rao, Ex-Google.



any competitors.

**GSC: What are your expansion plans for the region?**

**PM:** We have been doing the groundwork in the UAE, building our onsite supply chain capabilities of supplier network, warehousing, and logistics. We are strategically positioned in KIZAD with close proximity to Dubai and Abu Dhabi.

UAE is the hub of international trade and cross-border supply chains in the GCC. We aim to leverage our on-ground capabilities in the UAE to scale up our footprint across the entire.

**GSC: Apart from the UAE, where do you foresee growth potential and promise in the Middle East?**

**PM:** As an economic bloc, the GCC brings together US\$ 3.65trillion in economic potential. That is the market size that we are looking at. Digital transformation in the B2B space in the region has

just taken off.

There are several businesses that are still totally untouched and are yet to explore what's possible with a long-term roadmap for end-to-end digital transformation. UAE with its strong growth trajectory, logistical linkages, and supportive business regulatory environment is a strategically important geography in our journey towards building cross-border supply chain corridors across the GCC.

**GSC: What is your vision—short and long term for Moglix?**

**PM:** At Moglix, we are building a full-stack operating system for all industrial supply chain needs including procurement, financing, logistics, and warehousing. The future of B2B commerce as we see it at Moglix is one of a digitally integrated supply chain ecosystem for businesses to plug and play. We are here to shape the future of B2B in the UAE and GCC.



**Piyush Malviya, Senior Director,  
International Operations, Moglix**

Piyush Malviya is a thought leader in the digital transformation space and brings his diverse experience to transform B2B Commerce in the Middle East. He is presently the Senior Director, International Operations at Moglix.

He leads Moglix in the UAE and has extensive experience in B2B e-commerce, Category Management, Digital Marketing, Operations, and Project Management.

Before joining Moglix, he has worked with Snapdeal and Indian Oil Corporation. He has achieved remarkable milestones in his 10+ years of industry experience. While in Snapdeal, Piyush spearheaded a first-of-its-kind exclusive online launch for a major Swiss chocolate brand. Rated as an 'outstanding performer' by Indian Oil Corporation, he planned and executed various high-net-worth projects at the company.

Piyush is an alumnus of the prestigious NIT Tiruchirappalli and IIM Ahmedabad. He is an eloquent speaker at several industry body associations like CII, ACMA, and SIAM.

